

Greater East Side

GREATER EAST SIDE (DENVER HARBOR, SECOND WARD, EASTWOOD/LAWNDALE, MAGNOLIA PARK, LAWNDALE/WAYSIDE)

1. Key Market Characteristics

This is a highly mixed-use market with only 30.7% of the land, residential in nature. This is a primarily Mexican American and Mexican market undergoing strong growth (34.4% over Census 1990 count of 81,400). Aggregate household income is estimated at \$800 million plus. The Greater East Side is home to a large business community documented at 2,800 plus businesses with 50,500 employees generating over \$12.2 billion in revenue.

2. Size

Residential: The Drill Down revealed a market of 109,442 people and 31,266 households. This compares with Census 2000 findings of 84,379 people and 23,458 households, a variance of 29.7% in terms of population and 33.2% for households. This is a community with a significant undocumented immigrant population estimated at 7,330 immigrants, the primary factor contributing to the variance between the Drill Down count and the census findings.

Density: The fact that only 30.7% of the land is residential in nature contributes to the low residential density of the market: 9.8 persons and 2.8 households per acre.

Employees: There were 2,838 businesses employing over 50,000 people.

3. Change in Market

Change in Size: The Drill Down reflects a change in market size (population) from the Census 1990 figure of 34.4%.

Potential Market Expansion Capacity: Based on real estate development patterns, current land use and land availability; it is very conservatively projected that the Greater East Side market can support the development of 3,200 more units – or 10.5% over the next ten years. This compares with a Claritas projection of 1.0% growth.

4. Buying Power

Income: Average Household income, adjusted for the cash economy, is \$25,658. Compared to the Census 1990 average household figure of \$22,040 (when adjusted for inflation), current incomes fall approximately \$4,400 short of the 1990 figure. Aggregate household income for the market is approximately \$802 million.

The Cash Economy is a significant factor, contributing approximately \$128 million or 16.0% to the aggregate household income figure of \$802 million.

Unbanked Households: 42.9% of the households do not have documented banking relationships.

5. Real Estate Activity

Home Values: Based on all recent (2000 and first half 2001) documented single-family sales in the market (289 sales), average sales value was \$67,000. Additionally, the permit values of newly constructed single-unit properties (301 between 1994 – 2000) averaged \$48,000. Appreciation of single-family properties – based on a comparison of Census 1990 average values and the Drill Down 2000 sales values – is 42.9%.

Owner Occupancy: When measured at a building level, owner-occupancy is 56.4%, when measured at a unit level is only 34.4%. This is a function of the housing stock – 45.3% of the units are in 2 – 9 unit buildings in which the owner often lives in one unit and rents out the remainder. Due to the fact that the Drill Down uncovered approximately 6,000 more occupied housing units than the Census 2000, Drill Down owner occupancy at a unit level is less than the census figure (34.4% vs. 45.7%).

6. Market Change Indicators

- Population Growth: 34.4% increase over Census 1990
- Home Value Appreciation: 42.9% over 1990 (based on recent sales)
- Vacancy at a unit level: declined from 15.1% in 1990 to 8.7% in 2000 based on census figures
- Owner Occupancy at a building level: 56.4%
- Building Permits: 11.3% of all buildings had permits

7. Risk / Stability Indicators

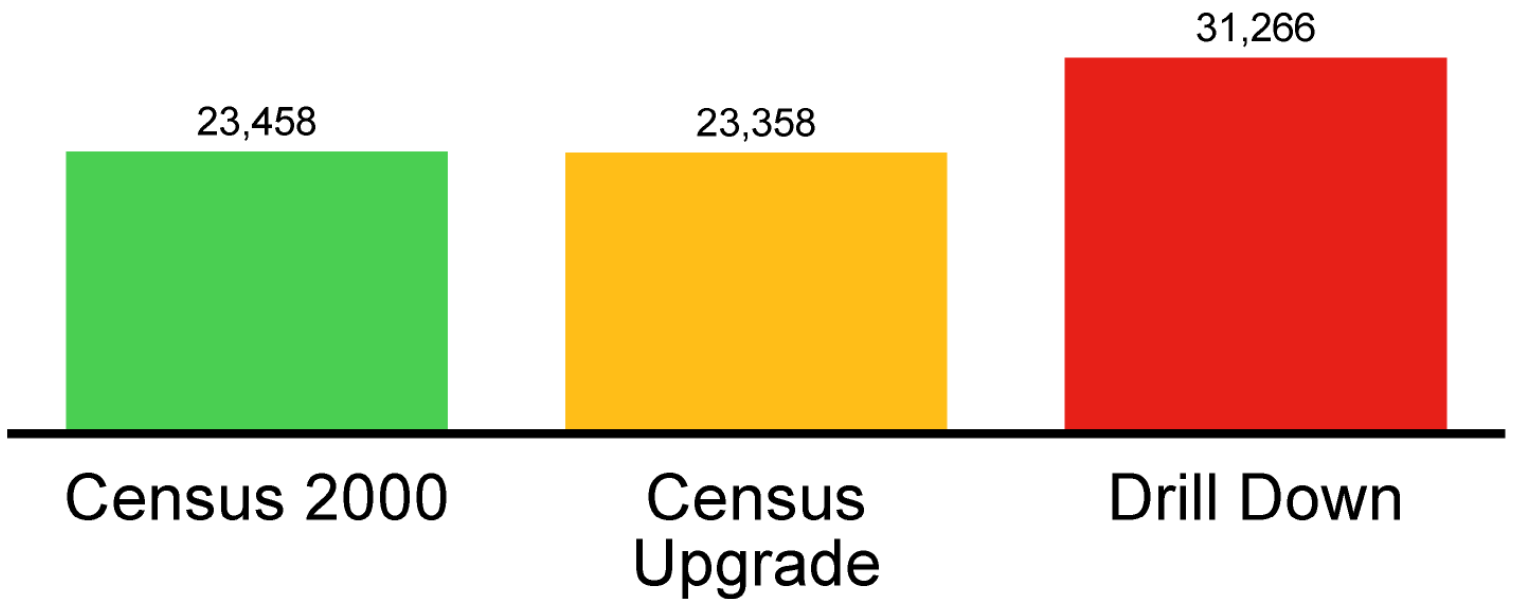
- Crime: All crime decreased 11.4% between 1997 and 2000 to 48.91 incidents per thousand. This compares with 67.42 incidents per thousand for the City of Houston.
- Owner Occupancy: Unit level: 34.4%; Building level: 56.4%
- Vacancy at a unit level: declined from 15.1% to 8.7% based on census figures

8. Major surprises and findings dramatically inconsistent with mainstream market research

The Drill Down found this to be a fast growing market – 39.2% more households than Census 1990 and 33.3% larger in population than indicated by Census 2000. The Greater East Side also is home to a large business community employing 50,000 plus.

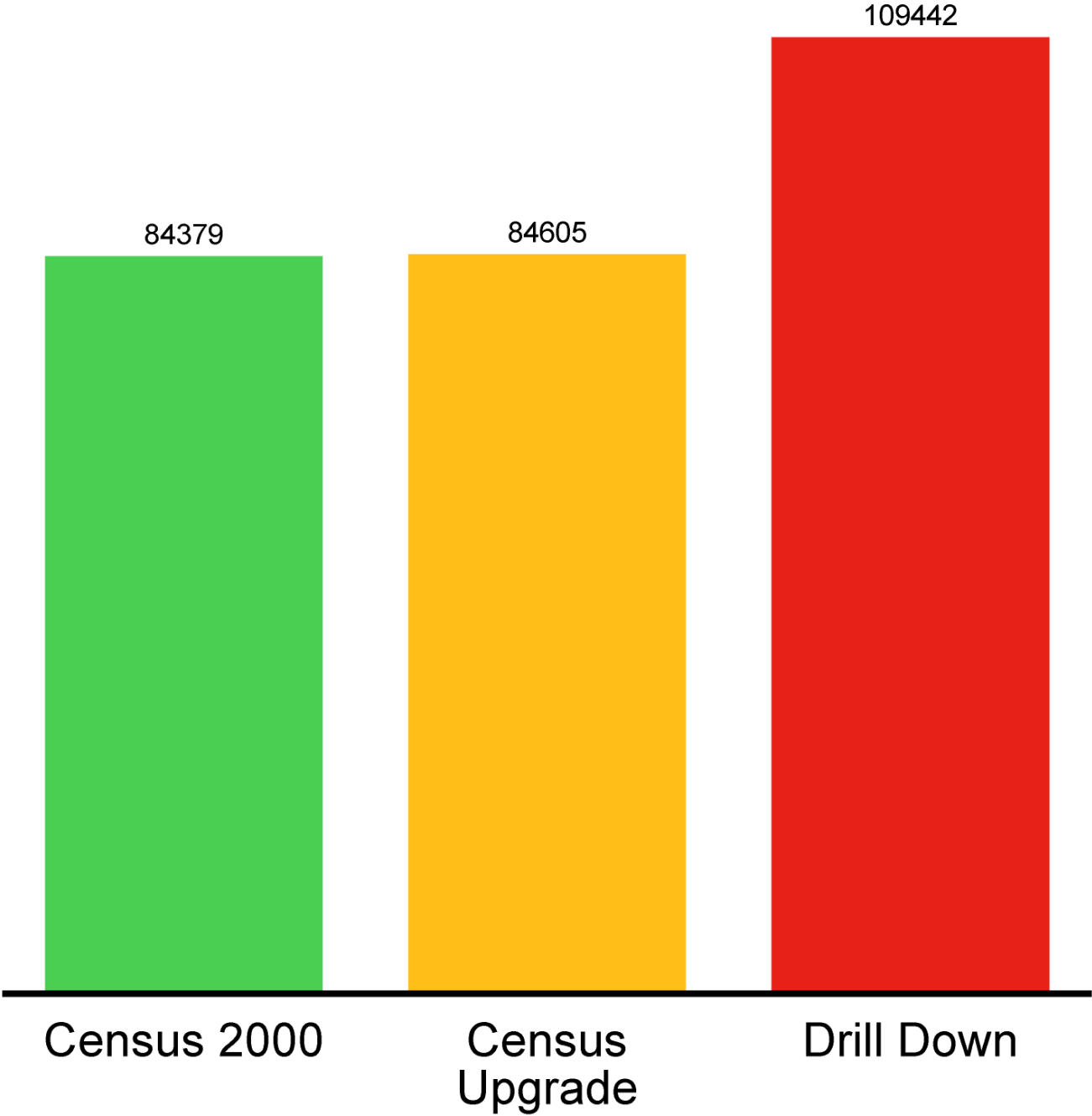
Houston – Greater East Side

Number of households



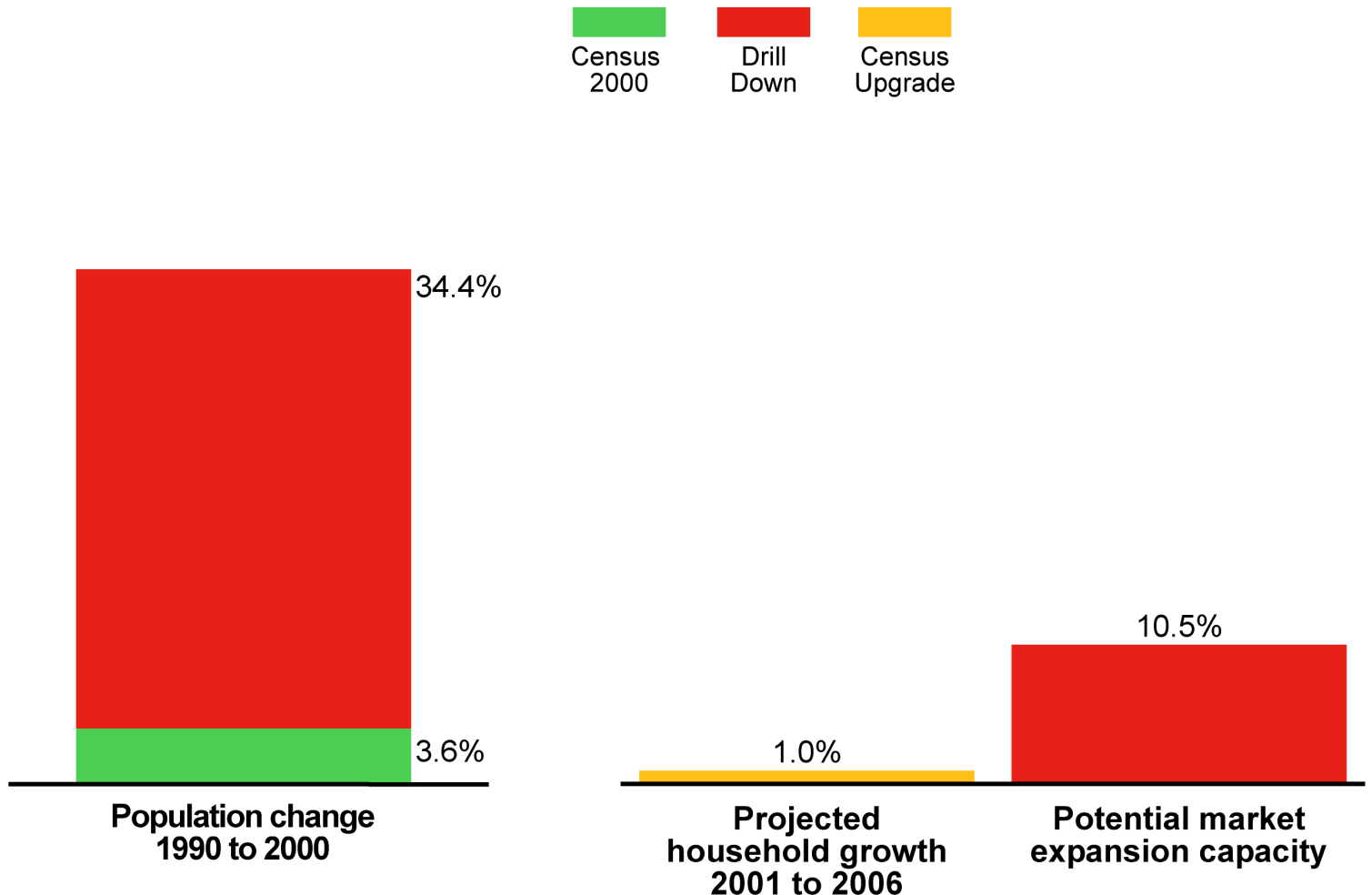
Houston – Greater East Side

Population 2000



Houston – Greater East Side

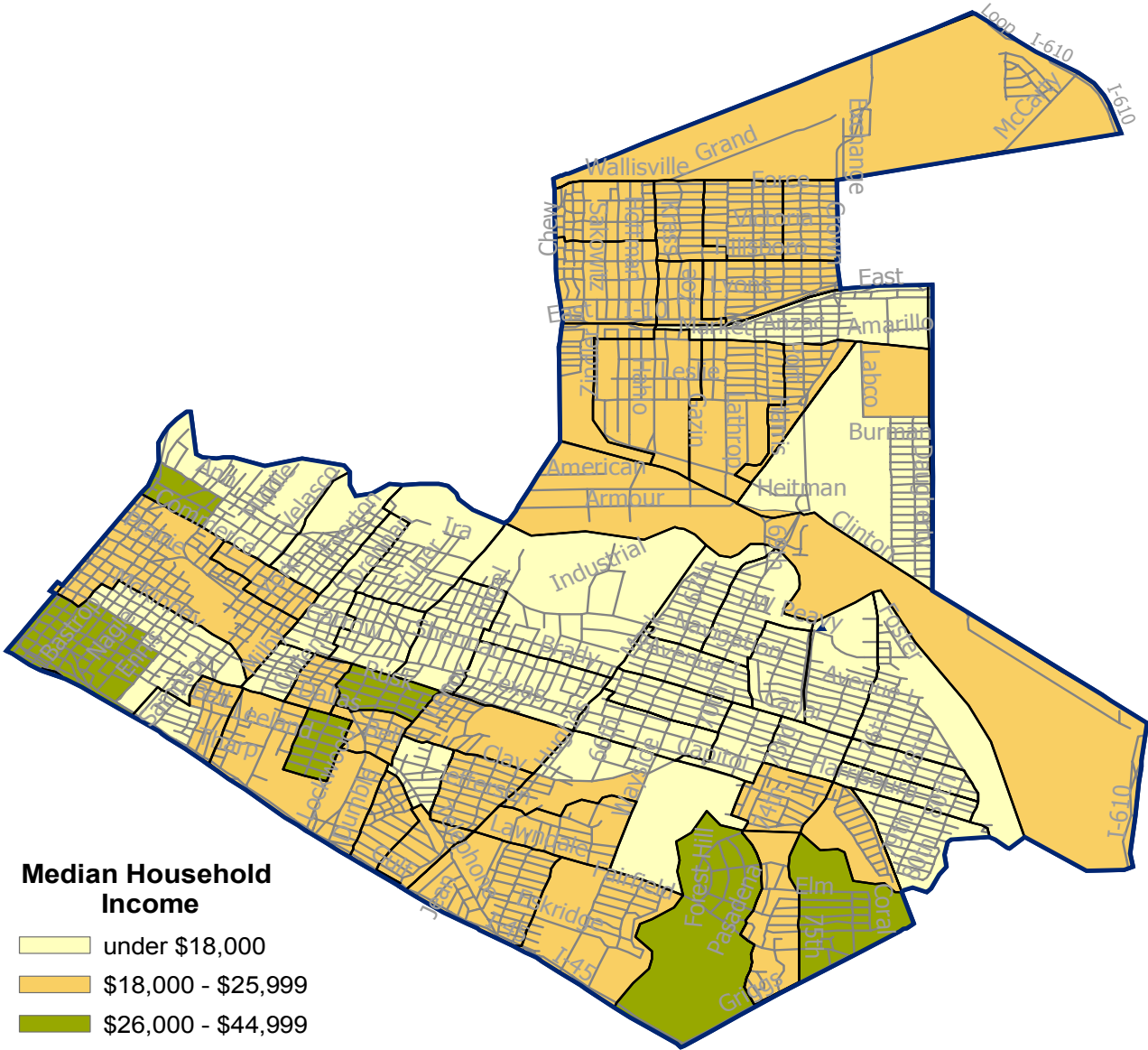
Change in population (% change 1990 to 2000)



Houston

Greater East Side

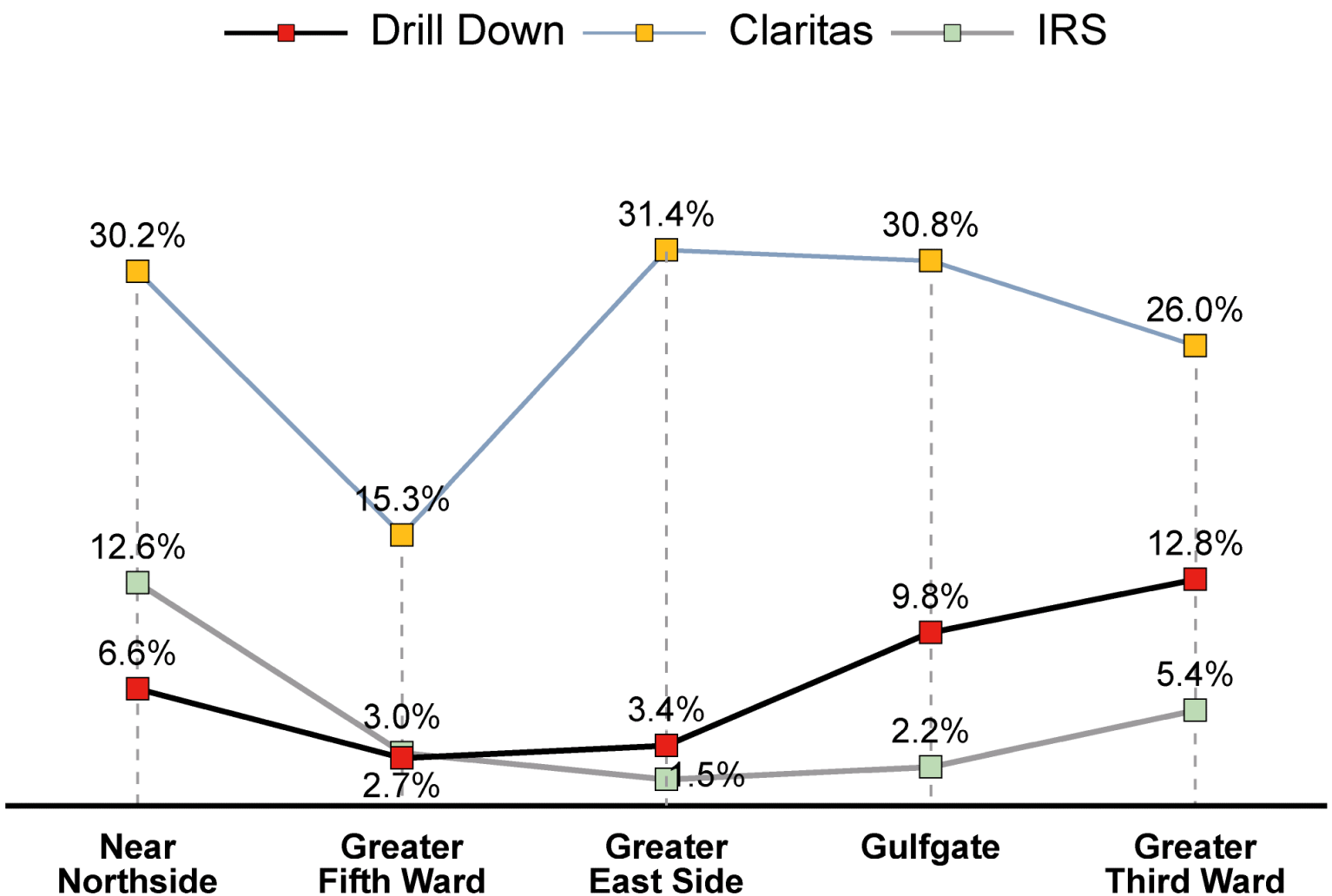
Drill Down Median Household Income



median household income = \$15,170

Houston

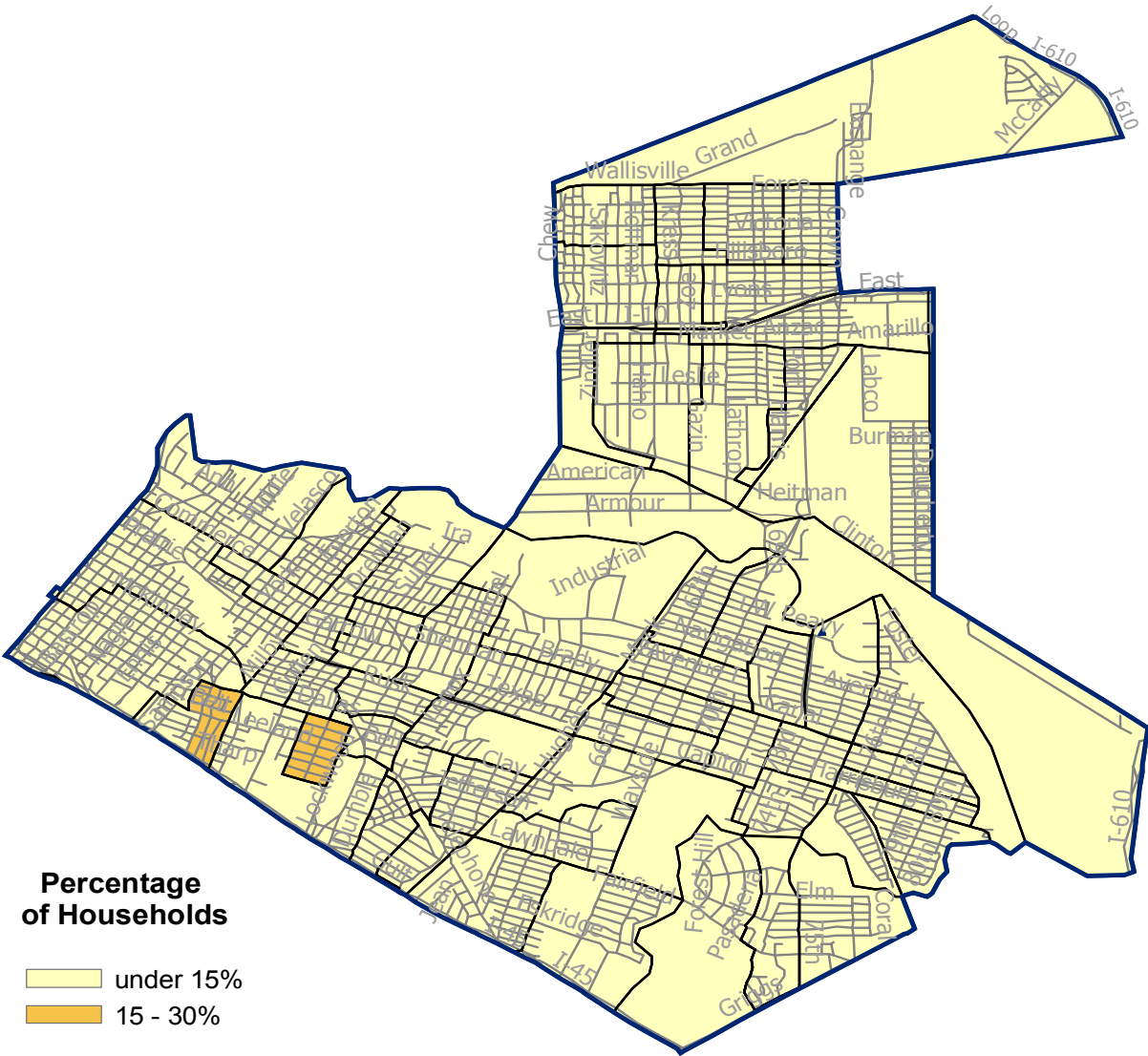
Households with incomes over \$50,000 by group



Houston

Greater East Side

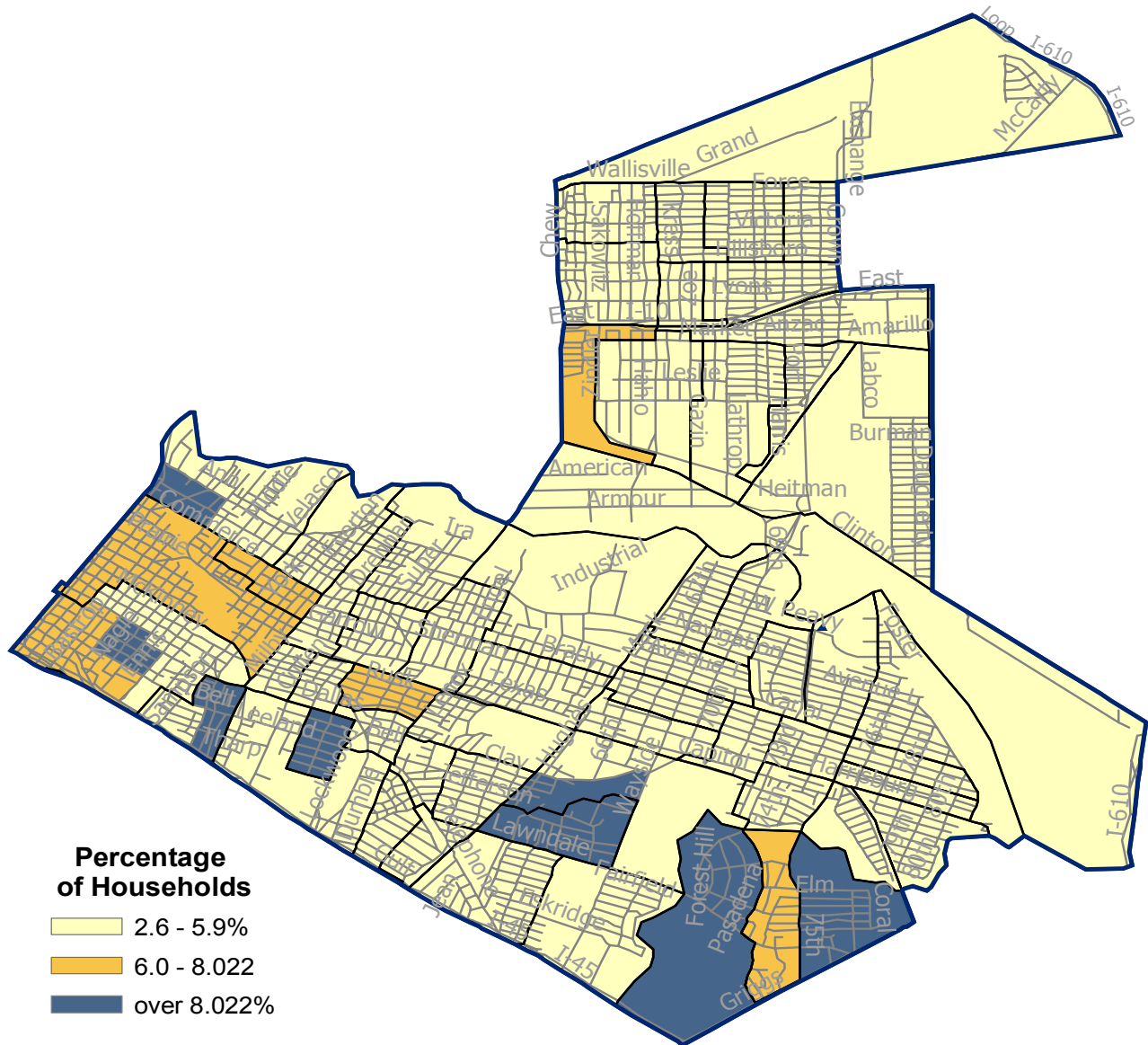
Drill Down
Households with Income
over \$50,000



median household income = \$15,170

Houston Greater East Side

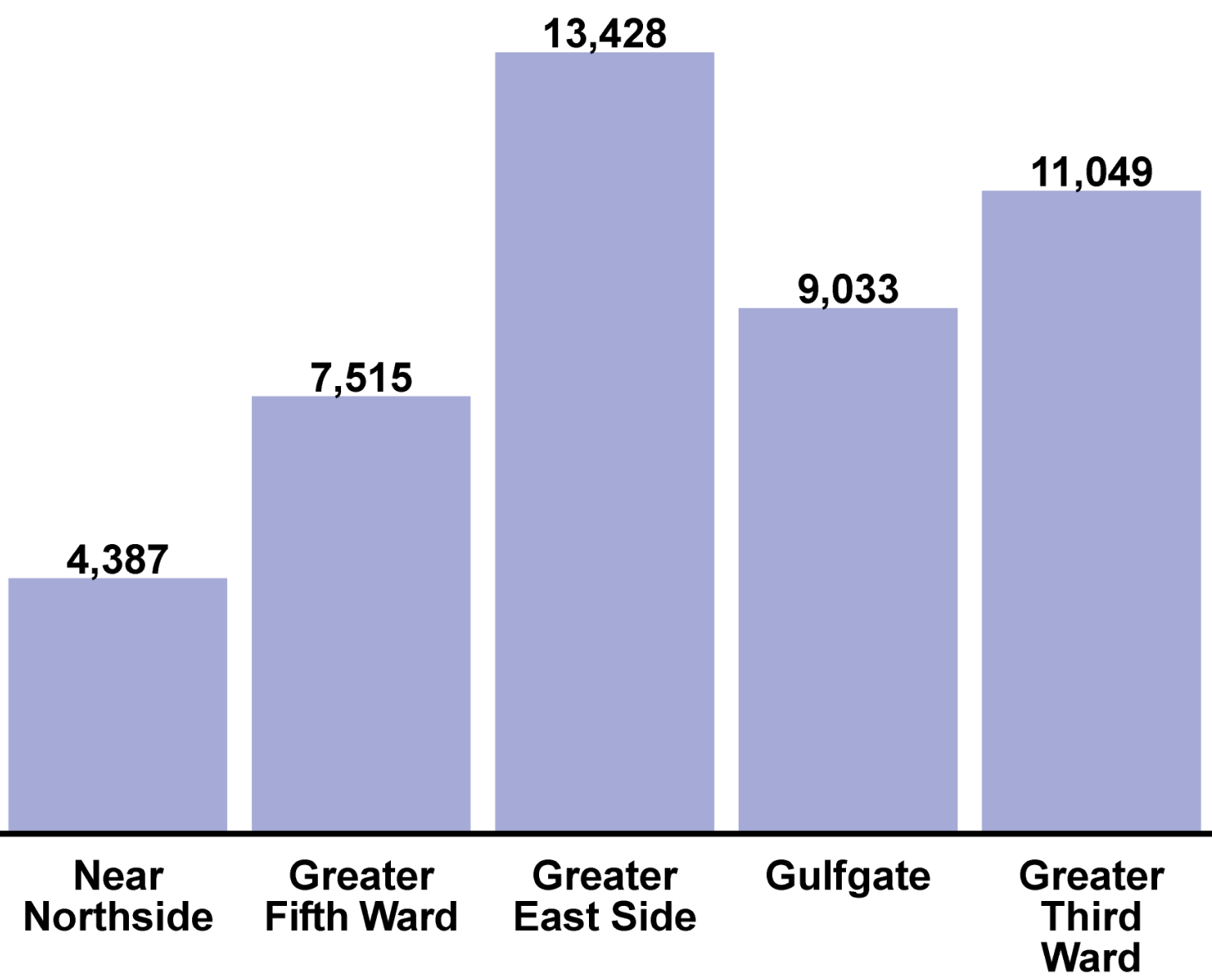
**Drill Down
Households with Income
over \$50,000
Based on IRS Scale**



median household income = \$15,170

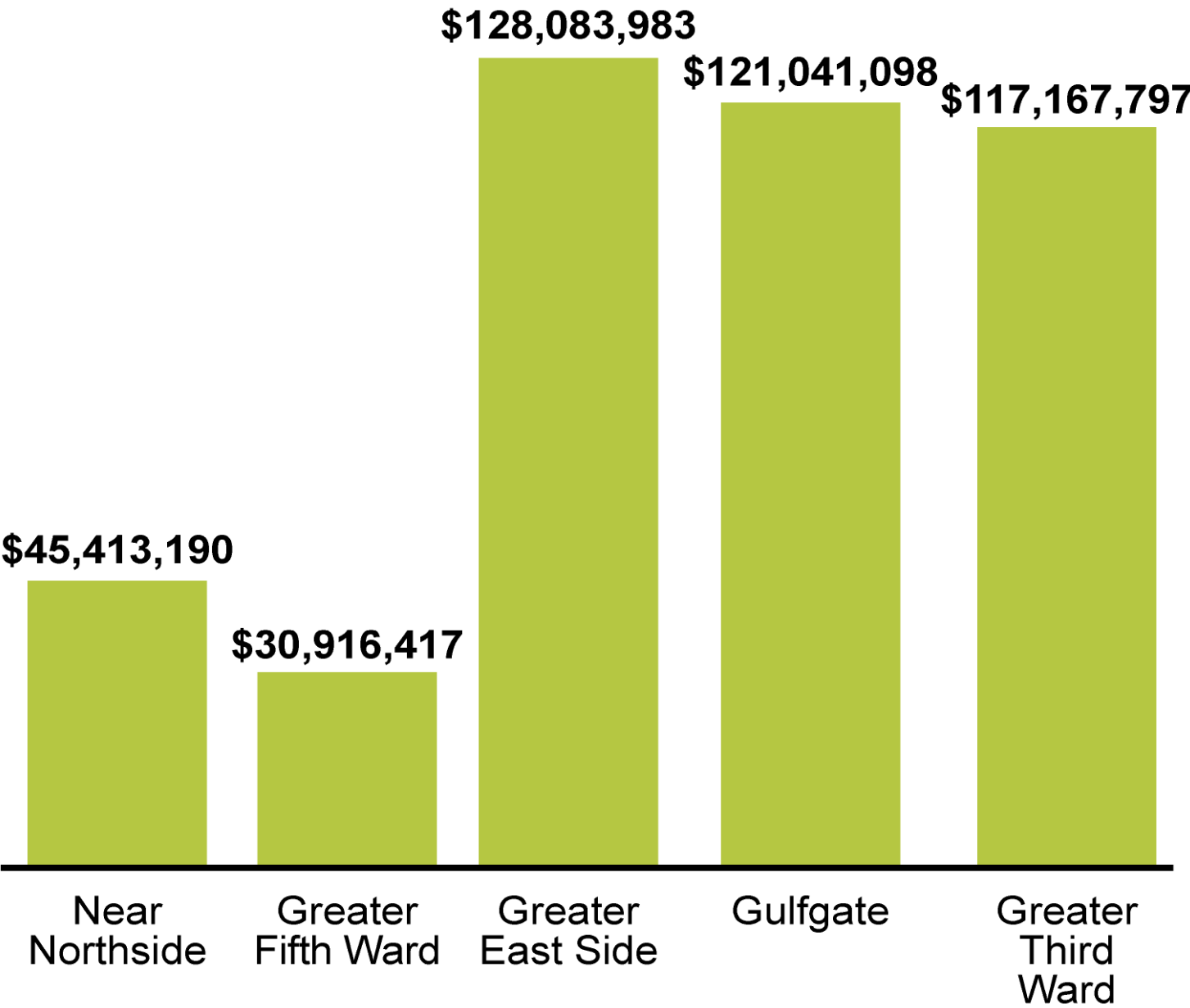
Houston

Households without documented banking relationship by group



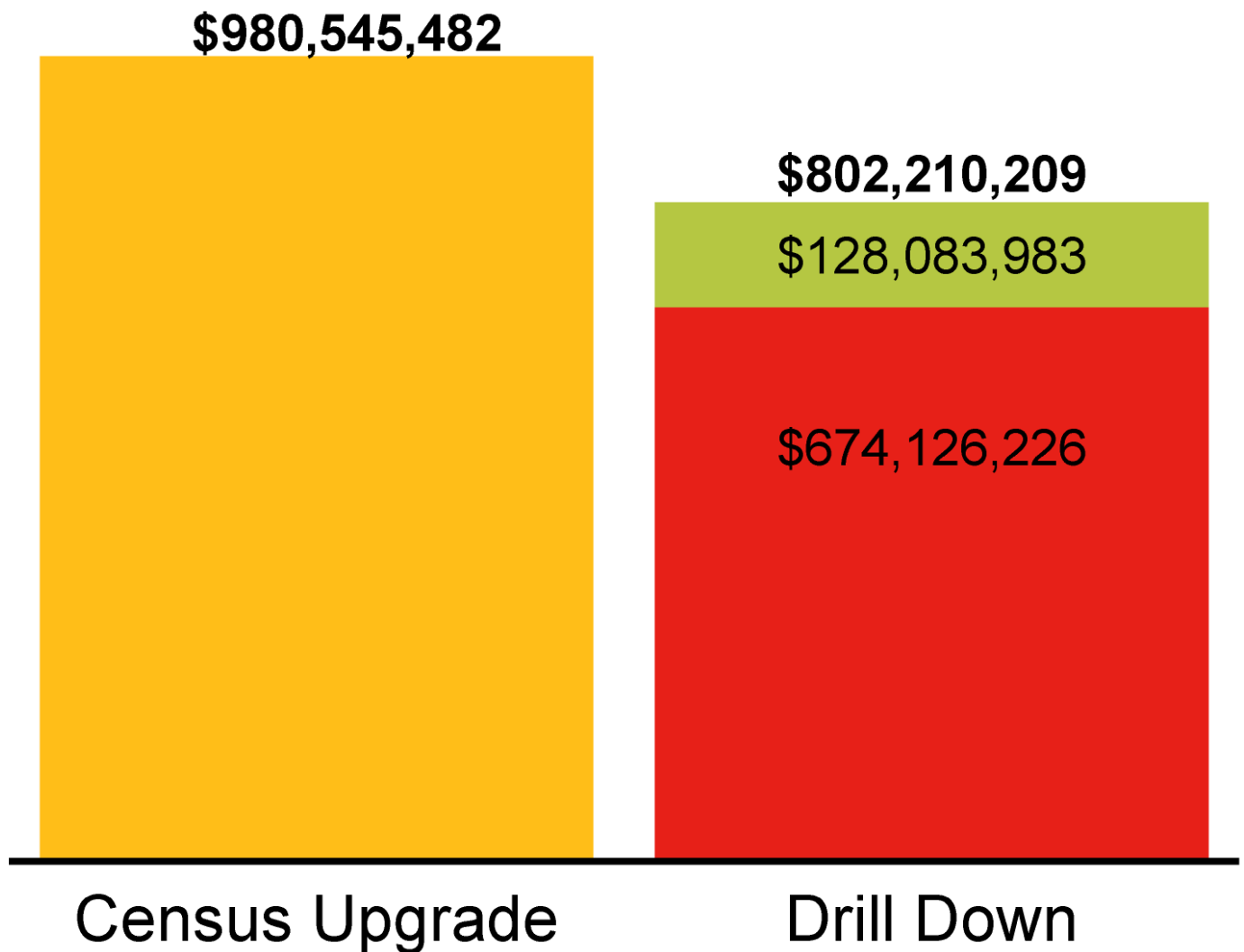
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Cash economy by group



Houston – Greater East Side

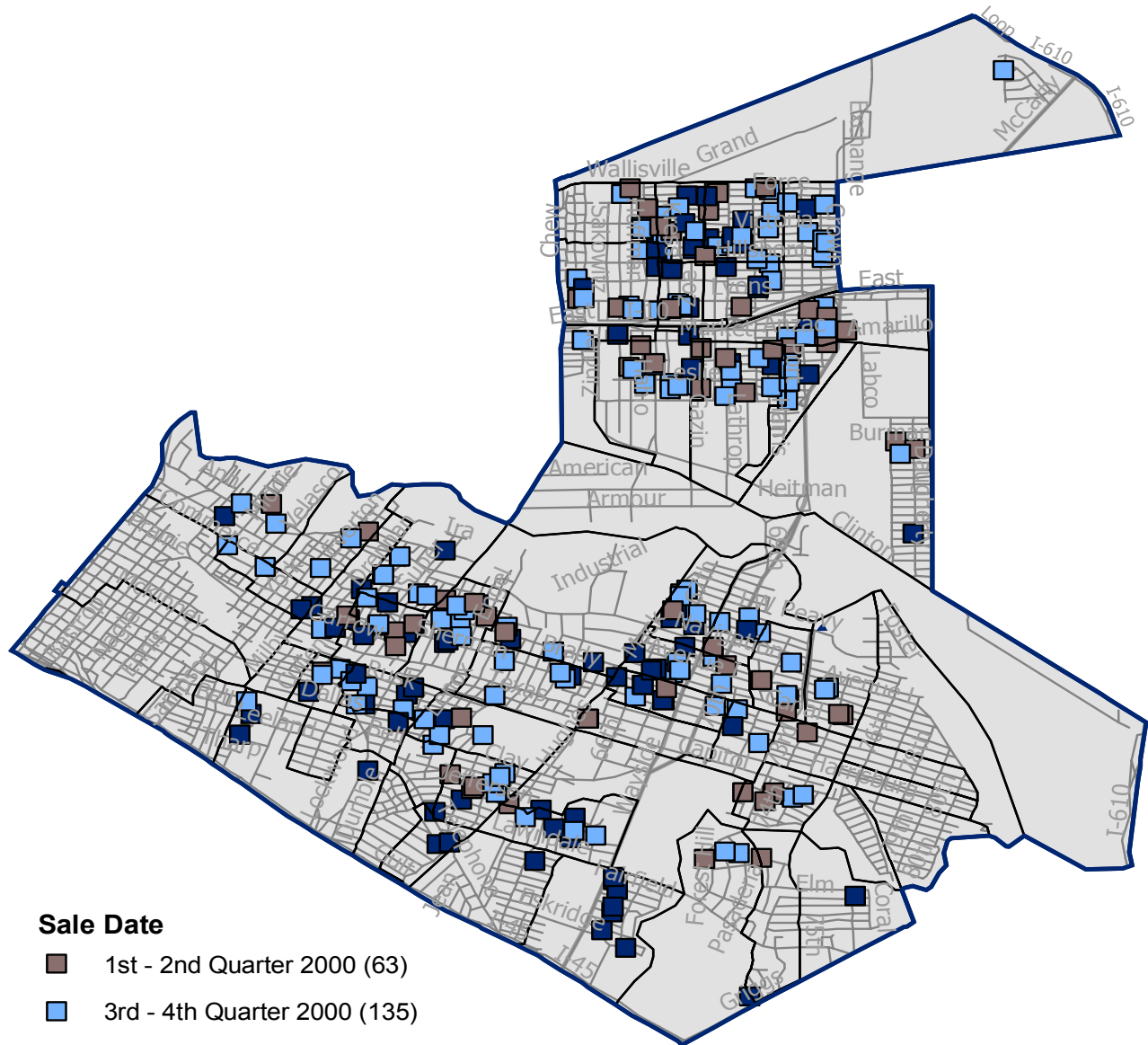
Aggregate expenditure capacity



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Greater East Side

**Single Family
Home Sales Date
Jan 2000 - June 2001**

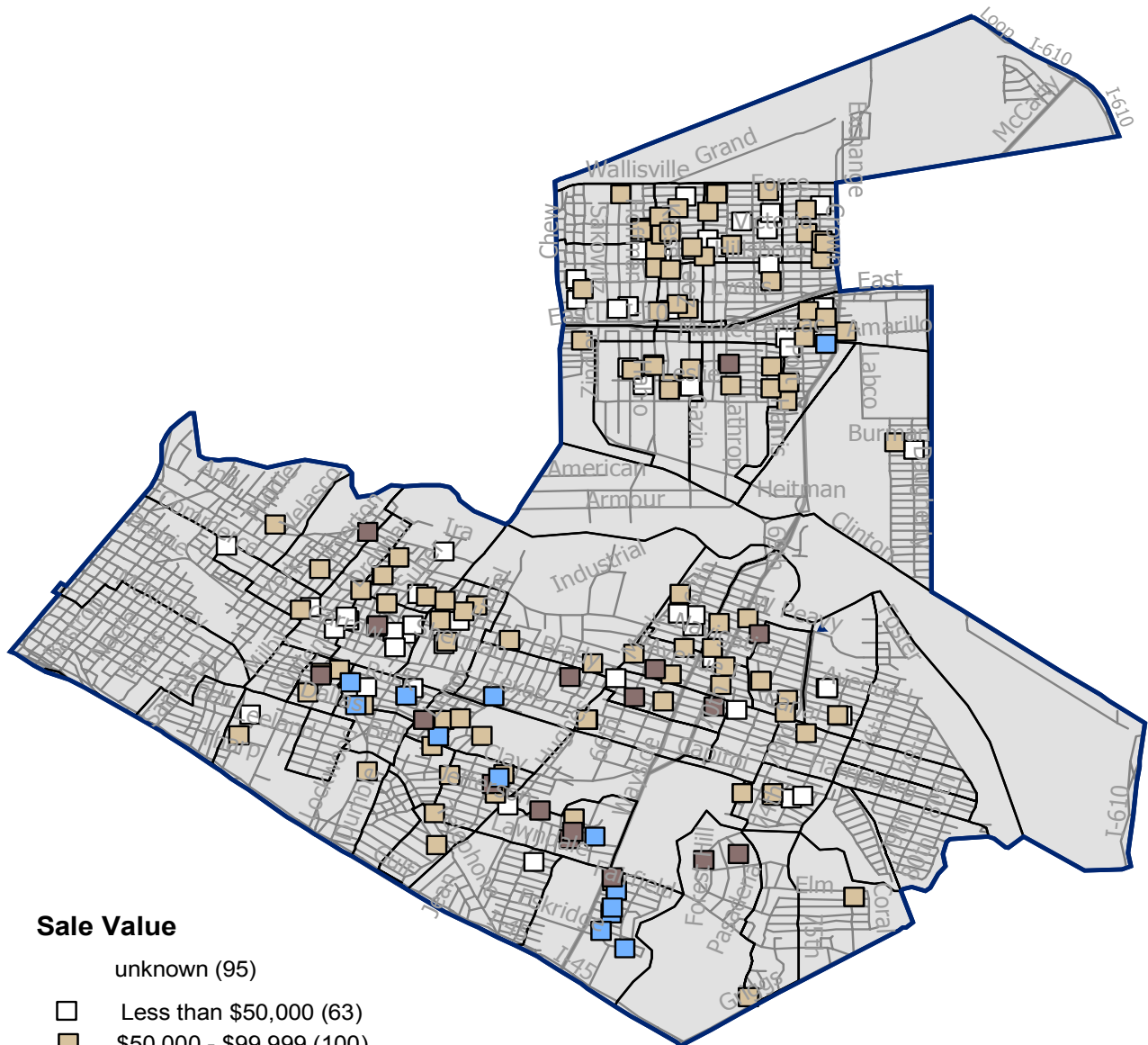


289 total single family home sales

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Greater East Side

**Single Family
Home Sales Value
Jan 2000 - June 2001**

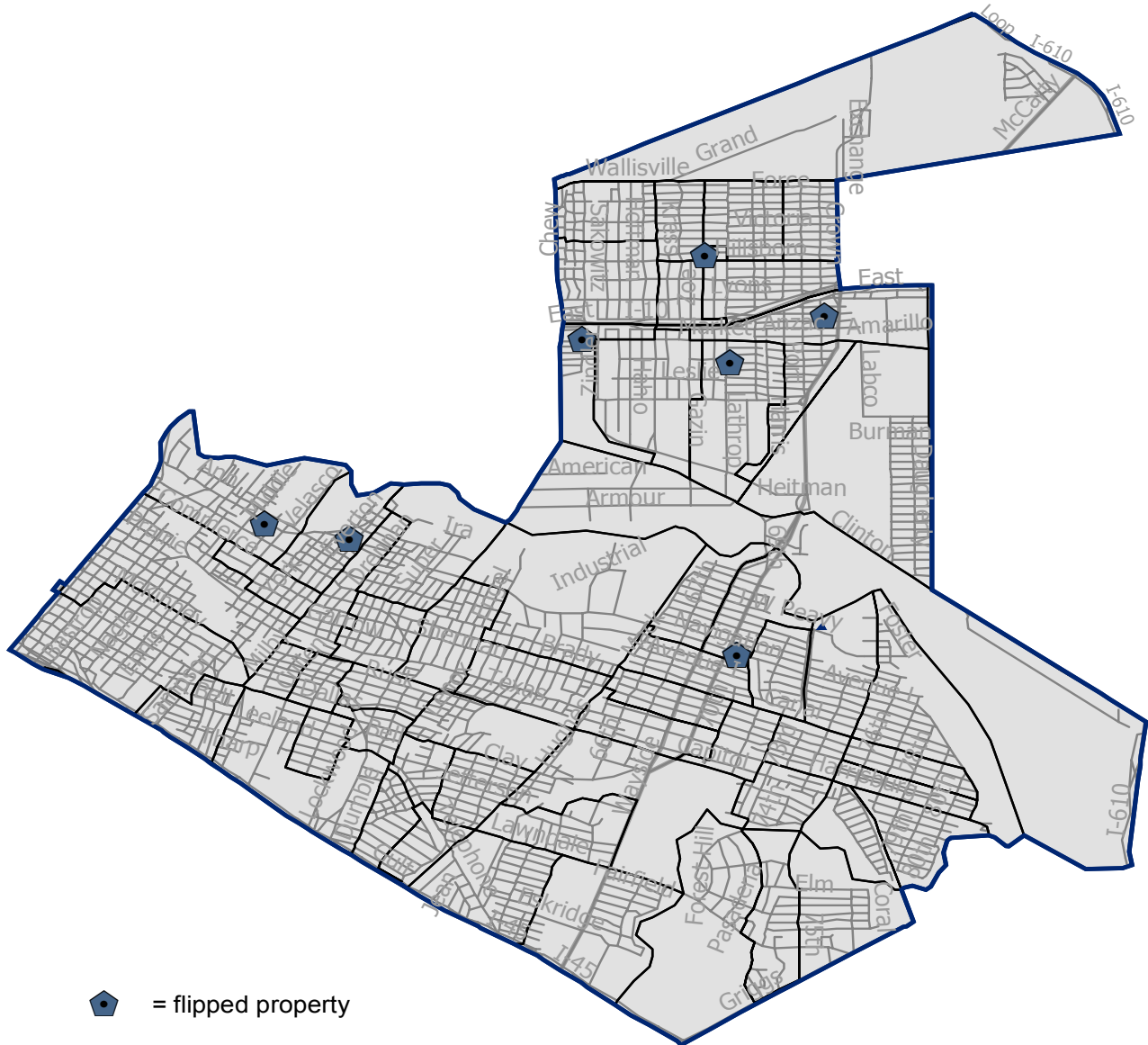


289 total single family home sales

Houston

Greater East Side

**Properties that Flipped*
Jan 2000 - June 2001**

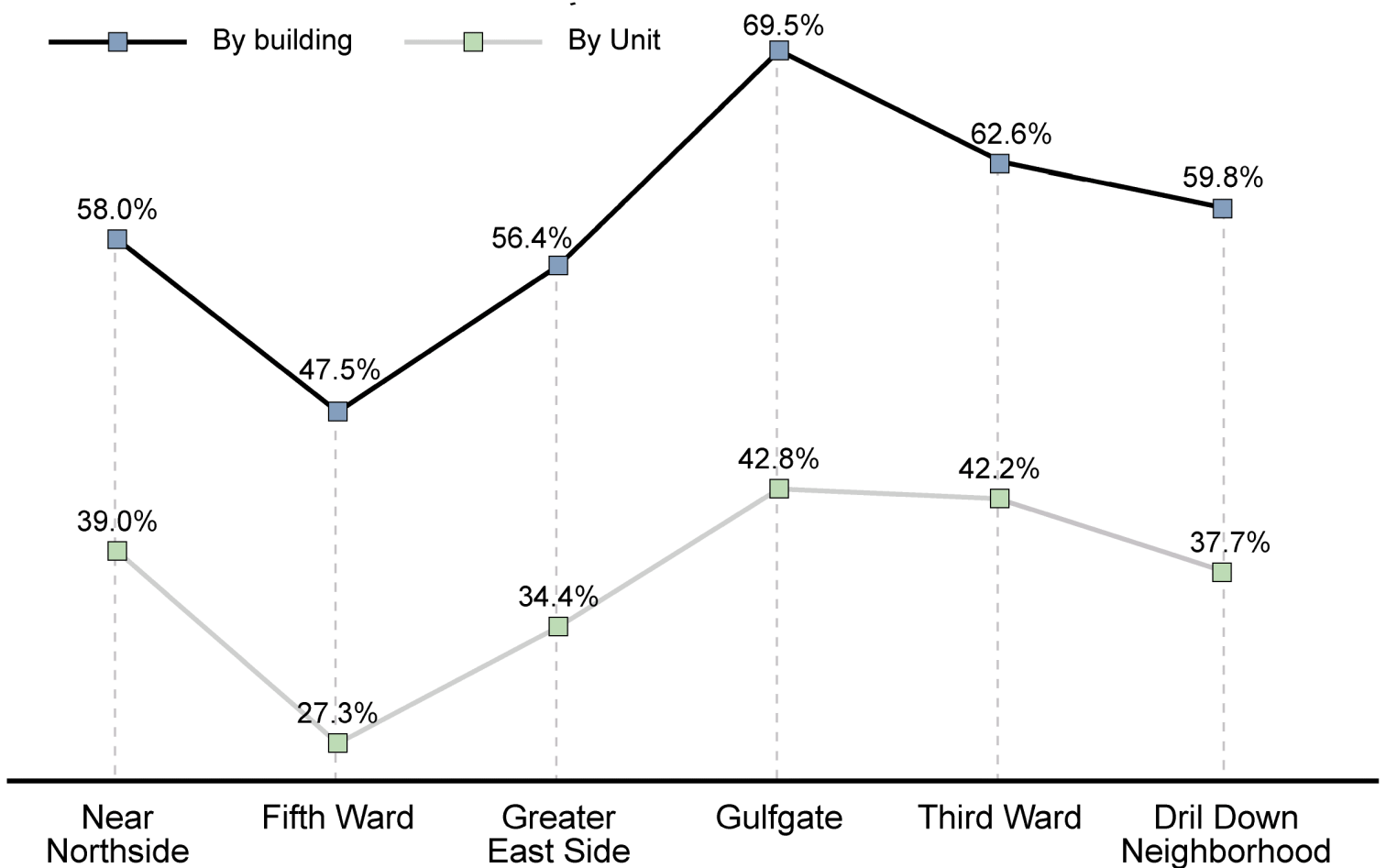


7 total flipped properties

***a property is flipped when it is purchased
and quickly resold for a large profit.**

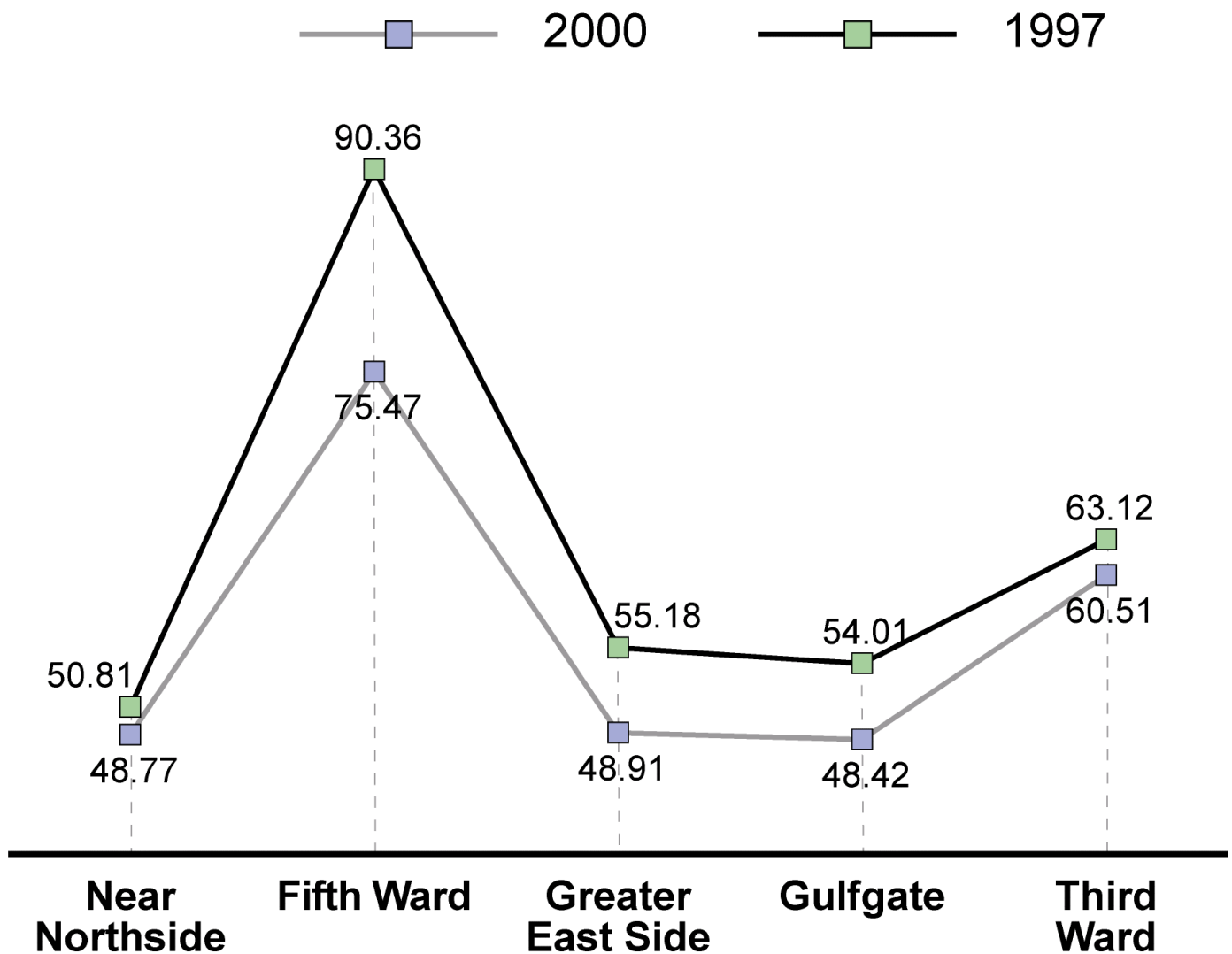
Houston

Owner Occupancy by group



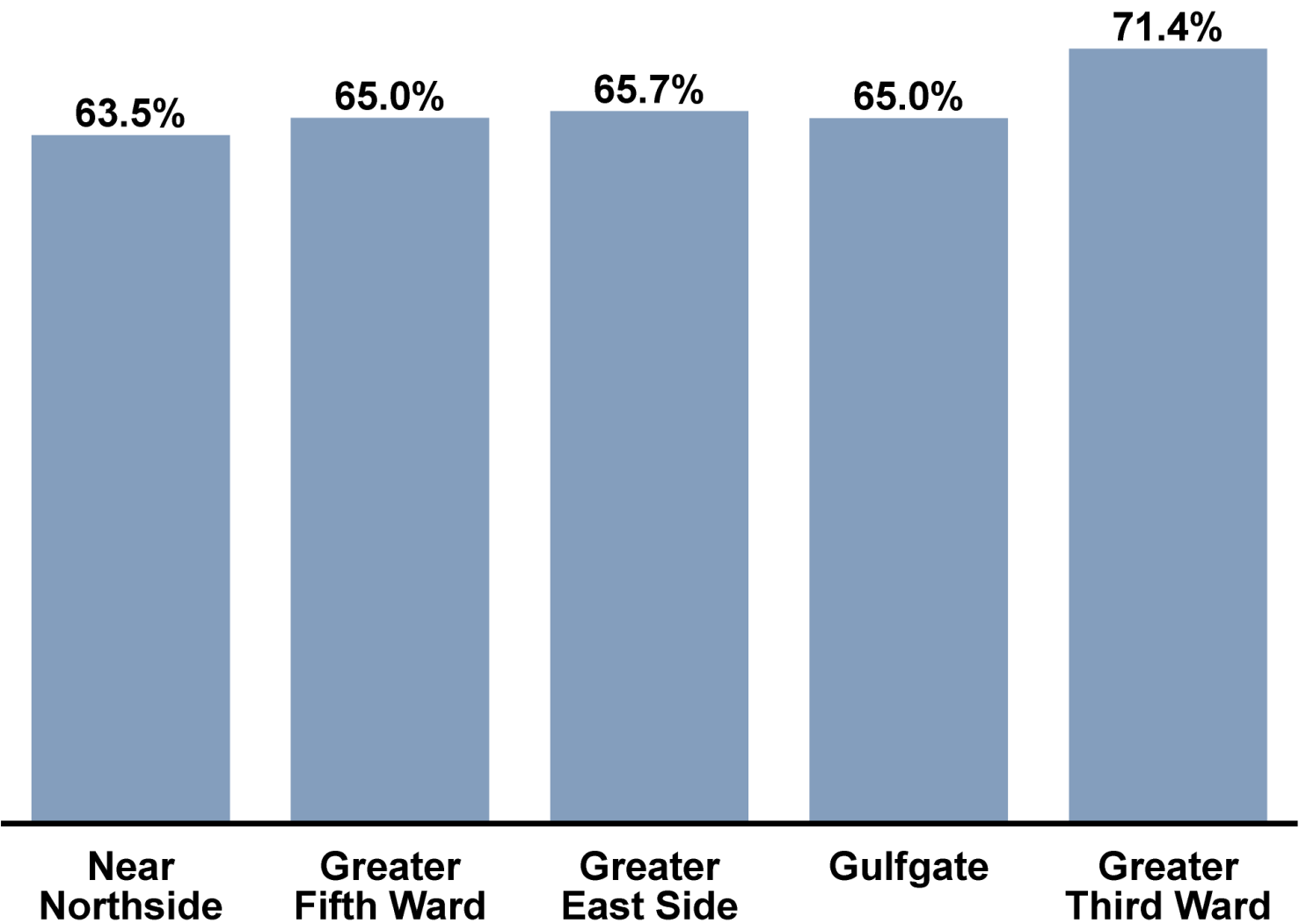
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Total incidents of crime by group (2000 versus 1997)



Houston

Percentage of businesses with history over three years



Houston

Number of businesses in Drill Down Super Neighborhoods

